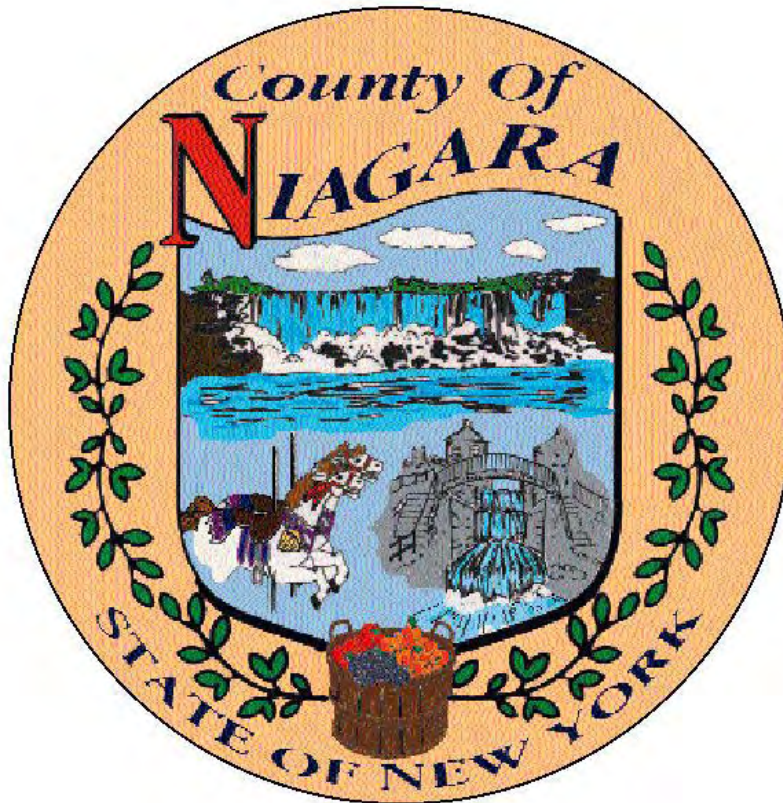


2014 Niagara County Overview and State Budget Impact



Hon. William L. Ross, Chair, County Legislature



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2014 County Overview and State Budget Impact Report for

Niagara County

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I. Executive Summary

The New York State Association of Counties developed this report to provide detailed and customized statistics and budget information unique to your county.

The State-imposed property tax freeze/rebate program, combined with a mandatory government efficiency program, will require counties to work closely with local governments and other taxing districts.

The temporary tax freeze/rebate program will begin this year for school districts, which adopt their 2014-15 School Year budgets in May of 2014. In order for homeowners to receive a property tax rebate in October 2014, their school district must keep their budgets within the property tax cap limit. The same holds true for local governments in 2015 and 2016. In addition, all school districts and local governments must submit an efficiency plan to the state Division of Budget by June 1, 2015 that demonstrates a 1 percent savings off the 2014 adopted levy for years 2017, 2018 and 2019.

The statute anticipates, but does not require, that counties will take the lead in facilitating these shared service/government efficiency plans.

In order to assist you in developing those efficiency plans, this report provides a series of statistical, demographic, and economic data unique to your county.

This data includes the most up to date tax and budget information available at the state level in April 2014. You should consult with your county real property tax director for 2014 adopted levy information for all local governments in your county. The fund balance reserves are based on the latest state comptroller data and may need to be locally updated as well.

Other statistics, such as unemployment, age, household income, gender, school aid runs, revenue sharing revenue, sales tax revenue and others, are included to provide a better understanding of your communities as you continue to provide local programs and services mindful of the property tax freeze provisions.

For **NYSAC's** most up to date analysis of the state budget impact on counties as a whole, visit www.nysac.org (click on the Policy & Research tab).

II. Regional Overview

Demographic Data

A county's demographic data and trends provide a snapshot of the county's needs, growth, and strengths. The data below reflects the most recent census and American Communities Survey data for your county, as well as data from the previous census, in 2010.

	NIAGARA COUNTY	NIAGARA COUNTY	NEW YORK STATE	NEW YORK STATE
	2010 Census	2000 Census	2010 Census	2000 Census
Total population	216,469	219,846	19,378,102	18,976,457
Median age	41.8	38.2	38.00	35.9
% 0-24	30.8	33.2	32.70	34
% 25-34	11.0	11.9	13.70	14.5
% 35-64	42.2	39.5	40.1	38.7
% 65-85	13.5	13.6	11.50	11.2
% 85+	2.5	1.8	2.00	1.6
Female (%)	51.5	51.7	51.60	51.8
Male (%)	48.5	48.3	48.40	48.2
Avg home price	\$113,950 (2013 data)		\$216,000 (in 2013)	\$148,700
Poverty rate (% of all people)	13.3	10.6	14.90	14.6
Median household income	47,736.00	38,136.00	57,683.00	43,393.00
Birth rate	9.9	11.4	12.20	13.6
Death rate	10.5	10.5	7.60	8.3

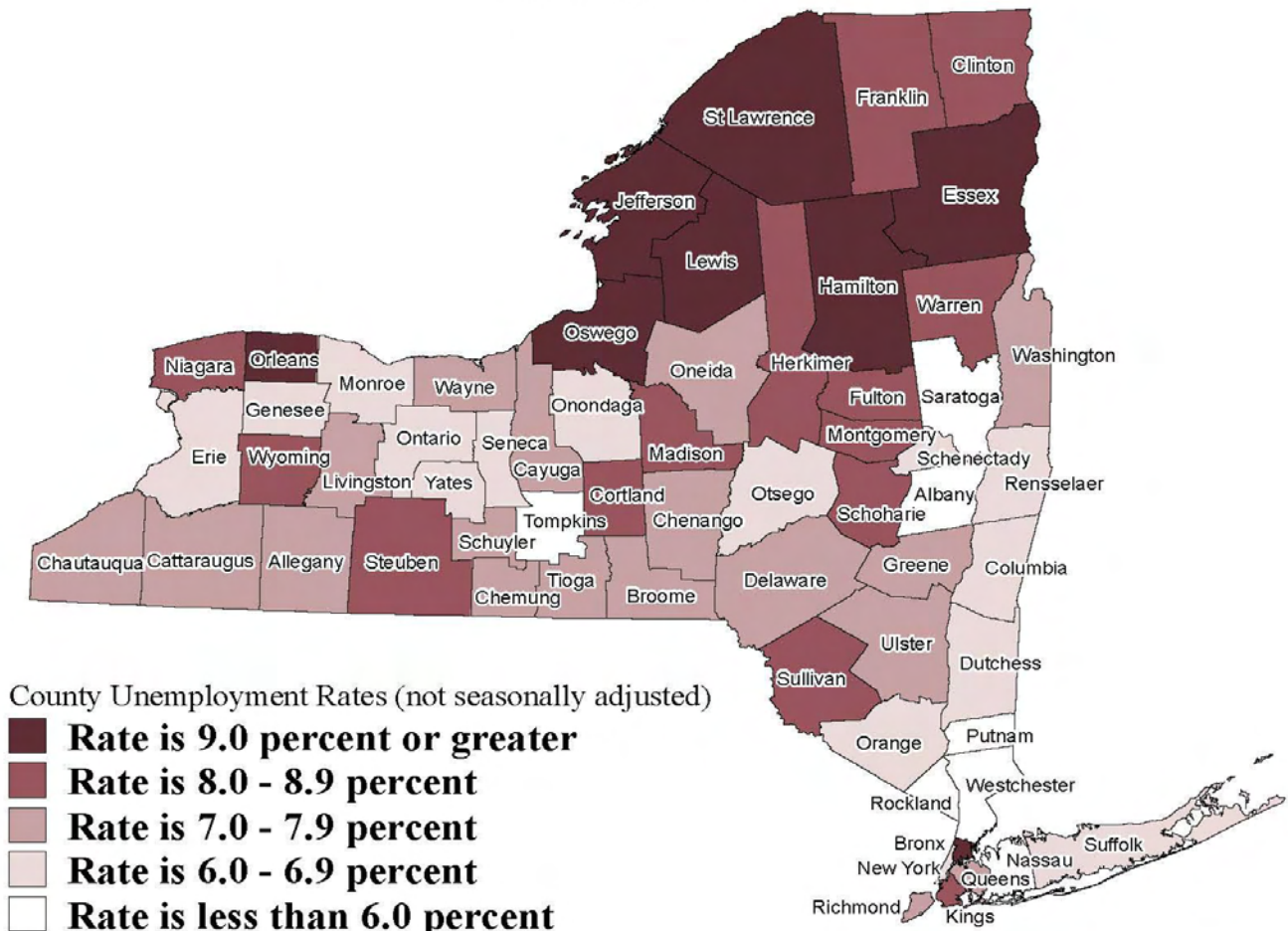
Unemployment Data

Rate of Unemployment By County of Residence

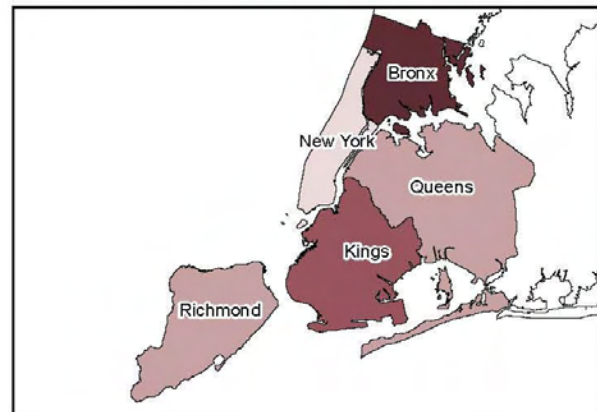
March 2014 (Not seasonally adjusted)

COUNTY	RATE	COUNTY	RATE
Albany	5.5%	Niagara	8.1%
Allegany	7.5%	Oneida	7.2%
Bronx	11.7%	Onondaga	6.4%
Broome	7.6%	Ontario	6.8%
Cattaraugus	7.8%	Orange	6.3%
Cayuga	7.2%	Orleans	9.5%
Chautauqua	7.7%	Oswego	9.1%
Chemung	7.6%	Otsego	6.8%
Chenango	7.1%	Putnam	5.2%
Clinton	8.1%	Queens	7.6%
Columbia	6.2%	Rensselaer	6.4%
Cortland	8.2%	Richmond	7.6%
Delaware	7.6%	Rockland	5.3%
Dutchess	6.1%	St. Lawrence	9.2%
Erie	6.9%	Saratoga	5.7%
Essex	9.3%	Schenectady	6.2%
Franklin	8.8%	Schoharie	8.8%
Fulton	8.5%	Schuyler	7.8%
Genesee	6.8%	Seneca	6.8%
Greene	7.6%	Steuben	8.3%
Hamilton	9.6%	Suffolk	6.0%
Herkimer	8.8%	Sullivan	8.4%
Jefferson	10.1%	Tioga	7.9%
Kings	8.8%	Tompkins	4.4%
Lewis	10.7%	Ulster	7.0%
Livingston	7.3%	Warren	8.2%
Madison	8.3%	Washington	7.6%
Monroe	6.4%	Wayne	7.6%
Montgomery	8.7%	Westchester	5.7%
Nassau	5.2%	Wyoming	8.5%
New York	6.7%	Yates	6.4%

Unemployment Rates by County, New York State, March 2014



New York State rate = 7.3 percent



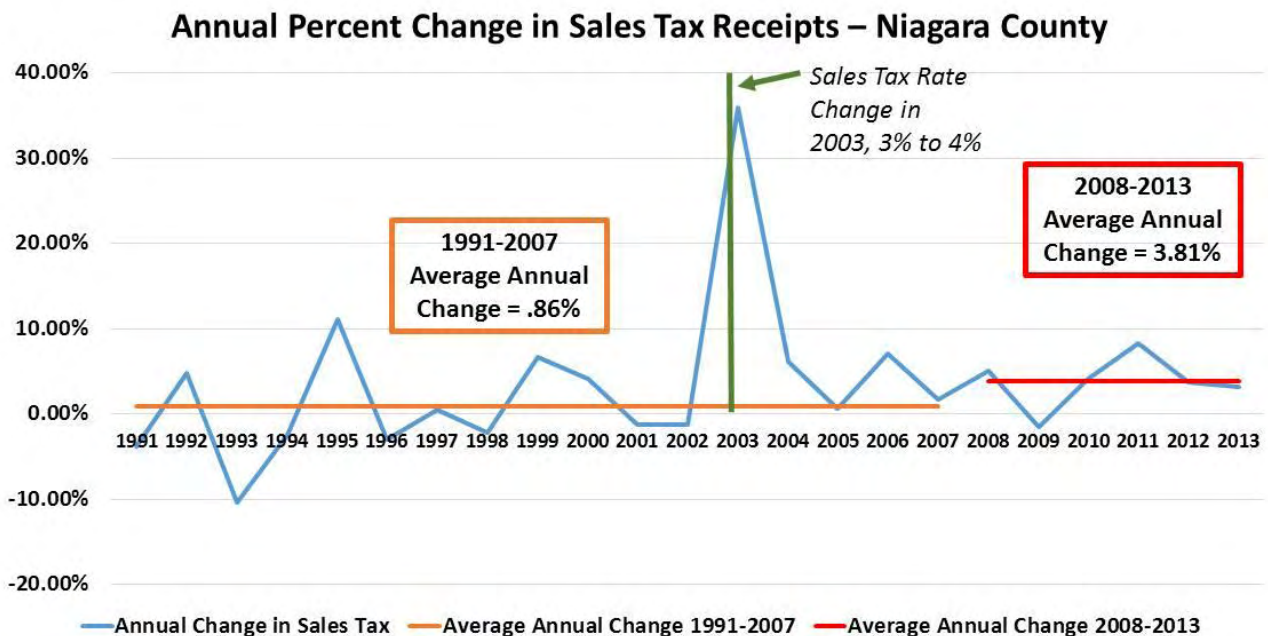
Sales Tax and Property Tax Data

Counties have two main forms of revenue: sales taxes and property taxes. Counties were granted the authority to levy a sales tax in 1967, one year after the implementation of a Medicaid program that required counties to fund half of the nonfederal share. At that point, the county contribution was \$112 million. Today that number is \$7.5 billion.

Sales Tax

Counties have the authority to levy a three percent local sales tax. Any amount above three percent, the county must receive permission from the State Legislature. State lawmakers have historically agreed to allow counties to increase their local sales tax rate above 3 percent, as a way to help pay for Medicaid and other state programs and services that are funded and delivered at the local level.

The first quarter county sales tax data for 2014 continues a trend that began with the start of the Great Recession. There has been a significant reduction in sales tax growth on an annual basis. Historically, from 1990 through 2007, sales tax growth averaged about 4.0% each year. However, from 2008 through 2013 average sales tax growth has been around 1.65%. Future collections are uncertain.



All Municipal Property Tax Levy Information

The adopted budget includes a two-year property tax “freeze” initiative that would provide state financed rebate checks to STAR qualified homeowners. The payments will be made by the state to homeowners in the following circumstances:

- o Year One – The State will provide tax rebates to homeowners (via a check from the state – not as part of a personal income tax return), with qualifying incomes of \$500,000 or less (STAR

eligible properties), who live in a jurisdiction that stays within the property tax cap (as determined by the current tax cap formula).

- Year Two – the tax cap must be maintained and each local government that wants to make local residents eligible for a state tax rebate must also submit a shared services and/or government efficiency plan to the State.
 - Shared services and government efficiency plans must demonstrate savings of 1 percent of the combined 2014 levy of participating municipalities in each year 2017, 2018 and 2019. There is no requirement to use these savings to reduce future levies.
 - Allows any municipality to submit an **individual** plan that meets these objectives (rather than a shared services consortium). Plans must demonstrate savings of 1 percent of levy for 2017, 2018, and 2019.
 - Cost reduction shared services proposals can be coordinated by any local government within a county. (County not required to be lead, but expected to be)
 - No authority granted to the state to withhold state aid due to municipalities for failure to meet savings targets (withholding state aid was proposed by the Governor).
 - New language is included that requires the State to consider past shared services arrangements or government efficiency programs to be applicable in demonstrating the targeted savings as part of the government efficiency plan.
- A tax credit would be made available in municipalities that reduce or hold steady their property tax levy. The rebate payable would be equal to the allowable tax levy growth factor for that year (including adjustments for inflation, economic growth, pensions, PILOTs, etc.). Under the original proposal, no rebate was allowed in these circumstances.

Below is a chart that shows the property tax levies for municipalities within your county for the most recently available year (2012). It also provides an estimate of what one percent in savings would equate **to if all municipalities participated in this tax rebate/shared services “freeze” initiative. Schools districts** are not required, nor expected to partner with other municipalities within a county under this legislation. County real property tax directors should have tax levy data for all municipalities within your county for 2014.

Real Property Tax Levies – Niagara County.

NIAGARA

TABLE 1 - 2012 REAL PROPERTY TAX LEVIES - DETAIL

NOTE: "Fire" includes levies of both fire districts and town fire protection districts. Also any village not appearing on this table may be a non-filer, see the Non-Filer Tab for that listing.

2012 REAL PROPERTY TAX LEVIES

MUNICIPAL NAME	CLASS	COUNTY	CITY	TOWN	VILLAGE	FIRE	OTHER TOWN SPECIAL DISTRICTS	SCHOOL DISTRICT	TOTAL TAX LEVY
Lockport	City	\$5,742,839	\$10,570,790					\$18,650,649	\$34,964,278
Niagara Falls	City	\$10,959,527	\$27,975,901					\$25,076,688	\$64,012,116
North Tonawanda	City	\$9,669,408	\$15,704,089					\$26,816,507	\$52,190,004
Cambria	Town	\$2,911,524		\$671,833		\$465,660	\$1,125,535	\$7,642,625	\$12,817,177
Hartland	Town	\$1,456,079		\$401,402		\$213,382	\$650,762	\$3,231,384	\$5,953,009
Lewiston	Town	\$8,613,500				\$1,160,372	\$1,237,289	\$17,739,874	\$28,751,035
Lockport	Town	\$8,008,557				\$1,129,700	\$4,385,101	\$22,774,358	\$36,297,716
Newfane	Town	\$3,334,134				\$629,766	\$1,528,832	\$10,616,766	\$16,109,498
Niagara	Town	\$3,936,086		\$614,885		\$503,508	\$935,440	\$8,404,474	\$14,394,393
Pendleton	Town	\$4,475,077		\$206,418		\$480,255	\$703,028	\$10,288,046	\$16,152,824
Porter	Town	\$3,446,497		\$688,169		\$418,695	\$71,488	\$7,966,788	\$12,591,637
Youngstown	Village				\$615,620				\$615,620
Royalton	Town	\$3,138,132		\$1,043,124		\$438,804	\$1,313,961	\$7,854,678	\$13,788,699
Middleport	Village				\$520,101				\$520,101
Somerset	Town	\$1,639,420		\$187,709		\$196,345	\$391,127	\$2,159,933	\$4,574,534
Barker	Village				\$126,554				\$126,554
Wheatfield	Town	\$12,477,787		\$254,356		\$1,369,590	\$2,308,453	\$20,904,992	\$37,315,178
Wilson	Town	\$2,484,070		\$868,480			\$261,607	\$7,273,370	\$10,887,527
Wilson	Village				\$360,749				\$360,749
		\$82,292,637	\$54,250,780	\$4,936,376	\$1,623,024	\$7,006,077	\$14,912,623	\$197,401,132	\$362,422,649
		22.7%	15.0%	1.4%	0.4%	1.9%	4.1%	54.5%	100.0%

Measuring Fiscal Stress in Your County

Fiscal stress experienced by New York taxpayers has been a top concern of statewide elected officials in recent years. A primary focus of state lawmakers has been property taxes and the high cost of government in New York (state and local). Over the last several years, reforms have been undertaken to lower the fiscal burden on taxpayers and local governments. Identifying the pressure points and being able to measure fiscal stress are essential to focusing reforms and scarce resources where they are needed most.

For many years, fiscal stress on local governments in New York has been a recurring problem and the Great Recession exposed these vulnerabilities anew. Since then, the Governor and State Comptroller developed separate mechanisms and responses for measuring fiscal stress in local communities.

The Governor created a local government Financial Restructuring Board (FRB) (www.frb.ny.gov/) that is designed to provide financial assistance and advice to communities that apply. The FRB uses two general measures to determine if a community is experiencing fiscal stress:

- 1) Property tax rates per \$1,000 compared to other municipalities, and
- 2) Average fund balance in undedicated fiscal reserves.

Both measures rely on a five year average of the most recently available data.

The Governor has linked the fiscal stress felt by taxpayers and local governments together through his property tax cap and property tax freeze initiative. The Governor strongly believes that more shared services and local government cooperation is a key component of government reform that can help both taxpayers and local governments address fiscal burdens.

As counties and other local governments expand existing initiatives and commence new plans to improve local government efficiencies as envisioned under the recently enacted property tax freeze legislation, NYSAC is providing information about how communities in your county rank on the **Governor's fiscal stress meter**. (*See your county's information below*).

In addition, we should point out that the FRB fiscal stress tool differs from the State Comptroller's Fiscal Monitoring System, which uses a more comprehensive review of local government financial information to identify communities along a continuum of low fiscal stress to high fiscal stress. **More information on the Comptroller's fiscal monitoring system can be found at:** <http://osc.state.ny.us/localgov/fiscalmonitoring/index.htm>

Under the Comptroller's system, he has found that county government is currently experiencing more fiscal stress than other local governments. To date, the Comptroller's fiscal monitoring system has identified 142 municipalities in some level of fiscal stress:

- 16 counties (28 percent)
- 5 cities (8 percent)
- 18 towns (1.9 percent)
- 16 villages (2.9 percent)
- 87 School Districts (12.4 percent)

NIAGARA

New York State Financial Restructuring Board - Fiscal Stress Indicators				
Data for 2008 - 2012				
MUNICIPAL NAME	CLASS	COUNTY NAME	5-Year Average Indicators*	
			Average Full Value Property Tax Rates FRB Eligible if > 6.823	Average Fund Balance Percentages FRB eligible if < 5%
County of Niagara			\$5.27	23.49%
Lockport	City	Niagara	\$14.29	9.44%
Niagara Falls	City	Niagara	\$20.22	19.91%
North Tonawanda	City	Niagara	\$12.35	17.88%
Cambria	Town	Niagara	\$6.57	74.34%
Hartland	Town	Niagara	\$6.92	30.03%
Lewiston	Town	Niagara	\$5.57	16.81%
Lockport	Town	Niagara	\$6.44	116.89%
Newfane	Town	Niagara	\$5.41	33.75%
Niagara	Town	Niagara	\$4.37	9.12%
Pendleton	Town	Niagara	\$3.00	162.95%
Porter	Town	Niagara	\$1.78	41.71%
Youngstown	Village	Niagara	\$5.95	29.01%
Royalton	Town	Niagara	\$7.53	53.54%
Middleport	Village	Niagara	\$8.90	8.75%
Somerset	Town	Niagara	\$6.39	243.44%
Barker	Village	Niagara	\$6.11	73.98%
Wheatfield	Town	Niagara	\$3.29	19.83%
Wilson	Town	Niagara	\$3.79	76.79%
Wilson	Village	Niagara	\$7.47	16.72%

Aid and Incentives for Municipalities (AIM)

State unrestricted aid to local governments has been held flat for several years at about \$715 million dollars. This is down from a peak of about \$1.1 billion in unrestricted aid provided in 1988-89. Counties stopped receiving state unrestricted aid (revenue sharing) in 1989, when the county share totaled about \$47 million (not including New York City).

Today, about 90 percent of AIM funding is targeted to cities and the rest goes to towns and villages. For cities, AIM assistance can be a significant portion of their total budget and could approach 30 percent of total revenue for some municipalities. For towns and villages AIM generally represents a very small portion of local revenues, but remains very important.

Below is a chart of AIM payments to local governments in your county.

Aid and Incentives for Municipalities – Niagara County		
Municipality	County	2014-15 Budget
City of Lockport	Niagara	2,650,525
City of Niagara Falls	Niagara	17,794,424
City of North Tonawanda	Niagara	4,335,111
Town of Cambria	Niagara	24,310
Town of Hartland	Niagara	24,446
Town of Lewiston	Niagara	85,269
Town of Lockport	Niagara	71,062
Town of Newfane	Niagara	59,094
Town of Niagara	Niagara	64,691
Town of Pendleton	Niagara	26,107
Town of Porter	Niagara	35,788
Town of Royalton	Niagara	43,915
Town of Somerset	Niagara	15,152
Town of Wheatfield	Niagara	55,227
Town of Wilson	Niagara	28,962
Village of Barker	Niagara	3,723
Village of Lewiston	Niagara	28,328
Village of Middleport	Niagara	15,663
Village of Wilson	Niagara	8,619
Village of Youngstown	Niagara	16,066

Education Funding in the State Budget

The State Budget for fiscal year 2014-15 emphasized education spending over all other priorities. After several years of significant funding cuts the budget this year made an investment in general education aid and also through a \$2 billion Smart Schools Bond Act proposal.

Total preschool through 12th grade state aid is \$21.8 billion, a 5.27 percent increase. If approved by voters in November another \$2 billion in one time aid will be provided to school districts to help upgrade technology capacity and learning aids in classrooms across the state. The Bond Act funding will be distributed along regular school aid formulas.

The attached chart provides a breakdown of how school districts in your county fared under the general state aid for schools and how much they could receive from the bond act if it is approved by voters.

2014/15 State School Aid – Niagara County

School District	2014 / 2015 Total Allocation	Increase Over Prior Year	Smart School Bond Act Allocation*
Lewiston Porte	\$ 14,384,102	1.95%	\$ 1,354,745
Lockport	\$ 42,990,443	6.01%	\$ 4,274,931
Newport	\$ 18,363,699	5.01%	\$ 1,670,935
Niagara Wheatf	\$ 29,615,726	6.00%	\$ 2,707,858
Niagara Falls	\$ 98,293,221	6.80%	\$ 8,865,240
N. Tonawanda	\$ 33,788,078	4.14%	\$ 3,332,873
Starpoint	\$ 18,974,502	2.34%	\$ 1,591,338
Royalton Hartl	\$ 10,923,669	-0.11%	\$ 1,197,557
Barker	\$ 7,401,922	8.83%	\$ 596,160
Wilson	\$ 12,294,972	1.11%	\$ 1,158,784
Countywide Total	\$ 287,030,334	5.10%	\$ 26,750,421

**This is subject to voter referendum in November 2014. \$2 Bill statewide school technology and construction bond act. Each district would apply for their allocation if voters approve the act.*

III. Economic Development and Transportation

Regional Economic Development Council Funding

The table below indicates funding awards for each of the 10 regions over the three years that the Regional Economic Development Councils have been operating, as well as the total each region has been awarded.

Regional Economic Development Council Funding Awards (in millions)				
Region	Round 1 2011	Round 2 2012	Round 3 2013	3 year total
Western NY	\$ 100.3	\$ 52.8	\$ 60.8	\$ 213.9
Finger Lakes	\$ 68.8	\$ 96.2	\$ 59.8	\$ 224.8
Southern Tier	\$ 49.4	\$ 91.1	\$ 81.9	\$ 222.4
Central NY	\$ 103.7	\$ 93.8	\$ 66.9	\$ 264.4
Mohawk Valley	\$ 60.2	\$ 59.7	\$ 82.4	\$ 202.3
North Country	\$ 103.2	\$ 90.2	\$ 81.3	\$ 274.7
Capital Region	\$ 62.7	\$ 50.3	\$ 82.8	\$ 195.8
Mid-Hudson	\$ 67.0	\$ 92.8	\$ 59.6	\$ 219.4
NYC	\$ 66.2	\$ 51.4	\$ 57.4	\$ 175.0
Long Island	\$ 101.6	\$ 59.7	\$ 83.0	\$ 244.3

Round IV of the REDC initiative will include \$750 million in available funding for 2014. The application deadline opens May 1, 2014 with a deadline for applications on June 16th at 4pm. More information is available at: www.regionalcouncils.ny.gov.

Following is a list of all of the projects in your county that received funding in 2013.

2013 CFA Funding Awards in Niagara County

<http://regionalcouncils.ny.gov/assets/documents/2013REDCBooklet.pdf>

Niagara	Carousel Society of the Niagara Frontier	Allan Herschell Factory Museum	This funding will make it possible to restore a treasured historic cultural resource in North Tonawanda, a Canal Gateway Community. Restoration of the Allan Herschell Office Building – part of a historic complex comprising the Herschell Carousel Factory Museum, which interprets the operation and contributions of the company to family recreation in the United States -- will include the insertion of a new foundation, reconstruction of the original roof line, windows, doors, siding, mechanical systems, plumbing, painting, and other site improvements.	\$134,450
Niagara	Carousel Society of the Niagara Frontier	Allan Herschell Factory Museum	This \$269,000 restoration of the original Allan Herschell Company office building in North Tonawanda will complete the restoration of Herschell Carrousel Factory Museum complex.	\$134,000
Niagara	City of Niagara Falls	Trades Job Training Facility	The Niagara Falls "Trades Job Training Facility" Project will renovate a vacant, city-owned commercial structure at 3712 Highland Avenue, and create a trades employment center for The Isaiah 61 Project.	\$132,000
Niagara	City of North Tonawanda	Erie Canal Bike Path Extension	Through the Erie Canal Bike Path Extension project, the City of North Tonawanda will design and construct a pedestrian/bicycle path along the historic Erie Canal in the City of North Tonawanda. The new path – which will connect Mayor's Park, a municipal waterfront park, with the terminus of the existing path at the intersection of Payne Avenue and Sweeney Street – will add approximately 1.1 miles of publicly accessible waterfront path and will give the city the opportunity to continue the path in future stages to other city amenities.	\$144,707
Niagara	City of North Tonawanda	Gratwick Marina Redevelopment	The City of North Tonawanda will design and construct improvements to the central and southern marina basins at Gratwick Park Marina along the Niagara River. Improvements will include removal of dilapidated existing docks, repair of failing bulkhead, dredging, new docks and utilities, boardwalk, lighting, landscaping, paving, and signage.	\$208,125

Niagara	Lockport Ice Arena and Sports Center Inc	Lockport Ice Arena	The Lockport Ice Arena and Sports Center is a planned two-pad hockey arena with related retail support services to be located in the heart of the City's downtown. The project will demolish a long vacant supermarket and invest \$11 million in capital costs.	\$1,000,000
Niagara	Lumber City Development Corporation	Oliver Street Revitalization	Lumber City Development Corp. will use \$200,000 in New York Main Street funds to assist owners of mixed-use buildings on Oliver Street in the City of North Tonawanda to complete residential and commercial renovation projects.	\$200,000
Niagara	Riviera Theatre and Organ Preservation Society, Inc.	Digital Conversion Project	The Historic Riviera Theatre, built in 1926 in North Tonawanda is listed on the National and State registrar of historic places; home to the original Mighty Wurlitzer pipe organ. The project will install a new digital projector, lamp, power supply, server, electrical upgrades and provide staff training. Original 35mm ARC projectors will be preserved within the location of the Riviera for historic and education purposes. The Riviera held 176 events, hosted 100,000 patrons and created 10 jobs directly. Over the past seven years 11 new bars and restaurants have opened around the Riviera.	\$42,343
Niagara	TAM Ceramics	Rare Earth Recycling	TAM Ceramics will partner with ReNew for the purpose of reclaiming valuable earth materials from components containing the rare earths, such as magnets, and selling the rare earth materials back into various markets.	\$250,000
Niagara	Town of Porter	Town of Porter Local Waterfront Revitalization Program	The Town of Porter will prepare a draft Local Waterfront Revitalization Program for its Lower Niagara River and Lake Ontario waterfronts to provide a comprehensive approach to waterfront planning and development in the Town.	\$34,250
Niagara	Village of Lewiston	Village of Lewiston Local Waterfront Revitalization Program Update	The Village of Lewiston will update its Local Waterfront Revitalization Program, adopted in 1989, to address land use and development issues along the waterfront and business district.	\$20,250

Regional / Multi County Projects:

Niagara , Erie	Niagara County Community College	Operational Skills Training	Niagara County Community College will train 60 long-term unemployed workers in customer service, training for intervention procedures, restaurant server, ServSafe, and security pre-service.	\$25,397.00
Niagara , Erie, Chautauqua, Cattaraugus,	Niagara Tourism & Convention Corporation	WNY Branding Plan	Niagara Tourism and Convention Corporation, Visit Buffalo Niagara, Chautauqua County Visitor's Bureau, Ellicottville Chamber of Commerce , Cattaraugus County and the Allegany County Chamber of	\$300,000.00

Allegany			Commerce make up a consortium representing the five counties of Western New York. This project would create a new brand for the five county region based on sound research of who the existing visitor is, perception of our region from desired markets, and other factors.	
		Community Renewal Fund	Community Renewal will make funding available to eligible municipalities for Housing Rehabilitation, Public Infrastructure, Public Facilities and Economic Development activities for the benefit of low to moderate-income individuals.	\$2,000,000
		Low Cost Economic Development Financing	Federal Industrial Development Bond (IDB) Cap will be made available for state and local government issuers to sell tax-exempt bonds for eligible economic development, infrastructure and community revitalization efforts.	\$30,000,000
		NYSERDA Energy Efficiency Projects	NYSERDA's Commercial and Industrial (C&I) programs offer New York businesses solutions to improve energy efficiency and save money through design, new construction, renovation, and process improvements to commercial and industrial buildings. The New Construction Program and Existing Facilities Program help building owners make informed decisions to design and renovate sustainable buildings. The FlexTech program can offer energy saving opportunities through consultation and cost-sharing studies. Industrial and Process Efficiency Program can help organizations increase product output and data processing efficiency.	\$2,458,217
Allegheny, Cattaraugus Chautauqua, Erie Genesee, Niagara Orleans, Wyoming	Buffalo Niagara Riverkeeper	Regional Niagara River Lake Erie Watershed Management Plan Phase 2	Erie County, in partnership with Buffalo Niagara Riverkeeper and Lake Erie Watershed Protection Alliance (LEWPA), will prepare The Regional Niagara River/Lake Erie Watershed Management Plan-Phase 2 continuing and expanding this community-based watershed planning effort.	\$507,830

Department of Transportation and CHIPS Funding

The 2014/15 State Budget allocated \$438.1 million for Consolidated Highway Improvement. This funding level is consistent with the 2013-14 Budget, which increased CHIPS by \$75 million—the first such increase in five years. The budget also includes an additional \$40 million of capital to help municipalities repair and rehabilitate local roads and bridges impacted by the extreme winter.

The following chart illustrates CHIPS funding for all municipalities within your county for the 13/14 and 14/15 fiscal years. The last column shows each municipality's share of the \$40 million in extreme winter capital funding.

Niagara County CHIPS Funding				
Local Government	13/14 CHIPS	14/15 CHIPS	Change	Extreme Winter Capital Funding 14/15
County of Niagara	\$ 2,173,533	\$ 2,178,463	\$ 4,930	\$ 167,999
City of Lockport	\$ 567,164	\$ 567,855	\$ 691	\$ 53,113
City of Niagara Falls	\$ 1,400,140	\$ 1,401,343	\$ 1,203	\$ 133,720
City of North Tonawanda	\$ 734,154	\$ 735,151	\$ 997	\$ 67,035
Town of Cambria	\$ 70,690	\$ 70,667	\$ (23)	\$ 7,961
Town of Hartland	\$ 135,106	\$ 135,066	\$ (40)	\$ 15,644
Town of Lewiston	\$ 139,127	\$ 139,079	\$ (48)	\$ 15,913
Town of Lockport	\$ 158,982	\$ 158,914	\$ (68)	\$ 17,896
Town of Newfane	\$ 159,519	\$ 159,467	\$ (52)	\$ 18,371
Town of Niagara	\$ 68,651	\$ 68,628	\$ (23)	\$ 8,113
Town of Pendleton	\$ 57,054	\$ 57,054	\$ -	\$ 6,079
Town of Porter	\$ 60,875	\$ 60,856	\$ (19)	\$ 6,869
Town of Royalton	\$ 200,238	\$ 200,176	\$ (62)	\$ 23,939
Town of Somerset	\$ 89,354	\$ 89,330	\$ (24)	\$ 10,309
Town of Wheatfield	\$ 85,593	\$ 85,543	\$ (50)	\$ 9,112
Town of Wilson	\$ 100,016	\$ 99,987	\$ (29)	\$ 11,393
Village of Lewiston	\$ 72,515	\$ 72,522	\$ 7	\$ 8,108
Village of Youngstown	\$ 32,531	\$ 32,535	\$ 4	\$ 3,614
Village of Middleport	\$ 32,522	\$ 32,525	\$ 3	\$ 3,626
Village of Barker	\$ 8,656	\$ 8,657	\$ 1	\$ 958
Village of Wilson	\$ 20,328	\$ 20,330	\$ 2	\$ 2,223
Countywide Total	\$ 6,366,748	\$ 6,374,148	\$ 7,400	\$ 591,994

Parks and Recreation

The Budget includes \$90 million to advance 69 projects to improve and repair 53 state parks and historic sites. The projects include:

Western New York: \$19.2 million for eight projects in seven parks/sites

- Niagara Falls State Park -- Continue Niagara Falls Revitalization Initiative, including Landscape Plan Improvements at Terrapin Point and Construction of New Park Police Station. Cost: \$9,000,000
- New State Park on Buffalo Waterfront -- Construct New State Park Improvements, Including Comfort Station, Playground, Picnic Pavilions and Landscaping. Cost: \$5,000,000
- Fort Niagara State Park -- Replace Deteriorated Swimming Pool Bathhouse. Cost: \$2,000,000
- Allegany State Park -- Rehabilitate Deteriorated Camp Turner Group Camp Cabin Colony. Cost: \$1,000,000
 - Repair And Resurface Park Roadways. Cost: \$500,000
- Long Point State Park -- Connect to Municipal Sewage System (Health and Safety Improvement). Cost: \$1,000,000
- DeVeaux Woods State Park -- Repair and Resurface Deteriorated Park Roads. Cost: \$500,000
- Old Fort Niagara State Historic Site -- Next Phase: Historic Fort Masonry Repair. Cost: \$200,000

IV. Health and Human Services

Medicaid

Impact of Affordable Care Act on County Medicaid Costs

While not a direct part of the 2014-15 State Budget, financing reforms under the federal Affordable Care Act (ACA) that increase federal Medicaid matching rates for the childless adult population in New York will continue to generate savings that must be passed along to counties.

The State released updated local Medicaid shares in early April:

- Weekly Share Impact – ***On average***, a typical county is seeing their weekly share drop by about one percent from what they were paying in SFY 2013-14.
- Annual Medicaid Cost Impact – ***On average***, for State fiscal year 2014-15, the Affordable Care Act **is reducing a county's annual Medicaid** costs by about 2.9 percent of their New York State statutory cap.

The impact on your county is highlighted below.

Impact of Affordable Care Act on County Medicaid Costs - SFY 2014-15

County	Statutory Cap Impact			Weekly Share Impact*			
	NYS Statutory Cap 2014-15	Annual Reduction Due to ACA*	Percent Reduction from Statutory Cap	Current Weekly Share SFY 2013-14	New Weekly Share SFY 2014-15	Weekly Reduction Due to ACA	Percent Reduction in Weekly Share
Niagara	\$46,872,407	(\$1,703,974)	-3.64%	\$884,553	\$868,624	(\$15,929)	-1.80%

* Weekly/Annual Share Impact based on 80% of estimated annual savings as determined by DOH. Difference to be reconciled in last quarter of 2014 calendar year.

Nursing Home Upper Payment Limit Intergovernmental Transfer

While the Niagara County Nursing Home has closed there are some past liabilities that are on the horizon for recoupment by the federal government related to prior year nursing home intergovernmental transfers.

All counties are subject to a federal recoupment of prior year federal IGT payments dating back to 2007 under which improper federal matching rates were applied during the federal stimulus period. A handful of counties are also subject to a second recoupment related to 2-year Medicaid claiming limit violations as determined by the federal government. It is expected that the federal government will seek **repayment of both of these items in the near future. Niagara County's total liability on the recoupments** is estimated at \$1.34 million (\$391,000 from improper matching and \$945,000 related to the 2-year claiming limit).